

# America's

# FUTURE

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## FOUR NOT-SO-FUNNY ITEMS

If you follow the news carefully these days you can get a laugh out of certain items. But if you care about the welfare of your country, you laugh on the wrong side of your face. Here are four little items, all occurring in the past two weeks, which illustrate what I mean.

First, the Deputy Prime Minister of Communist Poland paid a visit to President Eisenhower. Poland, of course, is one of the Soviet captive countries. She is ruled by a Red regime which is beholden

to Moscow. Under some sort of logic which is beyond my comprehension, the foreign give-away boys in Washington send good-sized chunks of your hard-earned dollars to the Red bosses of Poland. So one of these Red bosses had a pleasant 30-minute chat with our President - and declared he came away 'with a very good spirit.' Isn't that nice?

Second, Fidel Castro - who divides his time between turning Cuba into a communist island and denouncing the United States - signed a trade

agreement with Red Poland. Of course no one disputes Cuba's right to trade with anyone she chooses. But even the boys in our State Department became a tiny bit annoyed when they noted certain things. Here they've been so nice and generous - with the American taxpayers' money - to Communist Poland. Now Red Poland will send planes, presumably war planes, helicopters, chemical plants, etc., to a neo-communist country only 90 miles off the U.S. mainland.

But the third item in this list proves that the State Department's vexation is rather flimsy. It has been carrying on conversations with another communist country - Yugoslavia. The giveaway

spirit knows no bounds. The expectation is that these talks will lead to the United States sending Red Yugoslavia an atomic research reactor!

Fourth, last week a lady who is the wife of one of our most vocal 'liberals' appeared before the Senate Foreign Relations Committee. The 'liberals,' you know, never even blush at their own double standard - their concern over fascism and blindness to communism. The lady told the Senators that we should not send any foreign-aid money to Spain (in return for American bases there) unless we first demanded that Franco reform his government!

I repeat, all this would be funny if it were not so tragic.

## JOB-MAKERS AND JOB-KILLERS

This is the time of year when everybody has taxes on his mind. It is also the time of year when big and little companies make their annual reports. All these companies, no matter what their size, provide the bulk of the jobs in this country. And jobs, after all, are what the majority of people are most interested in. So it is to everybody's interest to keep this big job-making machine

going so that it can provide more and better jobs.

But it has an insidious composite enemy. This enemy is made up of communists, socialists, do-gooders of various kinds, certain politicians and certain labor bosses. They think they know better how to make jobs. Every place in the world where they have achieved power - where the government replaces the free enterprise system as a job-

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maker - the worker winds up much worse off than he ever was under free capitalism. But that doesn't stop its enemies. They keep on trying. Here in the United States they sort of sneak up on us - and with a tool which we ourselves put in their hands. This is where the taxes come in. The power of unlimited taxation is the tool with which the enemies of our free system can finally wreck it if we are not careful.

Merely as examples, let us take a tremendous national corporation, and a smaller local company, and see how this works. The big company - one of the largest in the country - provides jobs for more than half a million

workers. It took in last year a little over 11 billion dollars. The company kept a small amount, less than three percent, to plow back into the business. The largest amount, about 5½ billion, it spent for supplies and materials. The next largest amount was paid out to its workers.

After these expenditures, the company had left about one billion, eight hundred million dollars. The existence of this company, and the jobs of its half million workers, depends on its stockholders. These stockholders comprise many hundreds of thousands of people who are willing to risk their savings in this company in the hope of a fair return of the company's profits. Out of the billion, eight hundred million dollars which the company had left, it paid to these stockholders 575 million dollars. But -and here is the shocker - it had to pay the balance, *one and a quarter billion dollars*, to the federal, state and local politicians in taxes - the greater proportion to the federal politicians. This means the tax-grabbers took more than twice as much as all the stockholders earned for the use of their money.

Now to the smaller company.

Even though it is a local company, it makes jobs for more than 25,000 workers. But this company paid out in taxes last year more money than it paid to all these workers. As for its stockholders, the tax collectors got *three times as much* as they did.

This is not the end of the tax story, as all of you must know right now. These are only the taxes which the companies pay directly. But in

addition, the tax-grabber is on hand for his cut of every dollar which every company pays out to its workers, its stockholders, and suppliers.

But the big point is this. How long can a job-making machine like American industry remain free to go on making jobs, when it must pay in tribute to the tax-gatherers more than it pays its stockholders, and in some cases more than it pays its workers?

## WHAT THEY WOULD WRECK

One of these companies provides us with a good example of why we must be on our guard against the rantings of certain politicians and bureaucrats. They are usually of the 'liberal' stripe. They get exercised over something called 'monopoly.' They mean big-business monopoly as they call it - not labor-union monopoly. One is as bad as the other of course, if we want to maintain competition in a free society. But they deliberately confuse monopoly with bigness. The company to which I refer happens to make, among other things, automobiles. I should think it would be pretty hard to convince us that any auto company is a monopoly, when we see

all about us evidences of fierce competition among car-makers. But these politicians think 'monopoly' is a good word with which to scare people. What they are really driving at is bigness in industry. The only kind of bigness they favor is Big Government.

I suppose it is possible for a business to get so big that it is unwieldy. But let us see what these so-called 'liberals' would wreck, if they succeed in their drive against mere bigness. As I said, this great corporation spent 5½ billion dollars for supplies and materials. Where did that money go? It went to more than 27,000 other businesses of all sizes. Each in

its turn, because it sold its products to this hated giant of the do-gooders, made anywhere from two or three to hundreds and thousands of jobs. The diversity of the products and jobs which this big company made possible is fascinating. It bought plastic catsup bottles, to hold oil for lubricating its ma-

chinery. It bought hair dye to color gears; oleomargarine to coat straps for batteries; eyebrow tweezers to handle wires. The list is endless. In fact, the company probably bought products and made jobs for people who pay the salary of the little politician who wants to cut it down to his own size. - John T. Flynn

*Foregoing items covered in Mutual network broadcast 4/10/60*

## WHICH CHINA'S "LOBBY?"

This is the tale of a book—a published but still unpublished book. Our meaning will be clear in a moment.

It is *The China Lobby in American Politics*. There is not now, and never has been, a China Lobby, unless it is made up of the pluggers for American recognition of Red China. The author is one of the latter. His name is Ross Y. Koen. He is 42 years old, and an assistant professor of political science at a California college. Two years ago he obtained his Ph.D. degree at the University of Florida with a thesis which became this now-you-see-it, now-you-don't book. We have seen it, but you can't—at least not for a while. And thereby hangs

the tale. Not that we think you will be panting for a look at it, because, as is often the case with the thousands of Ph.D. theses produced each year, it is dull, dull, dull. We bring it up only because of the circumstances surrounding its almost-publication, and because if and when it is finally officially issued, it will no doubt be grabbed up by the 'liberal'-oriented college libraries and recommended to unsuspecting students as 'authoritative.'

The publisher of the book is Macmillan & Co., an old and respected firm which has to its credit many fine volumes. The price on the copy we saw is \$5.75—for 251 pages of text, but then 'lib-

eral'-oriented college libraries are well endowed. It is an attempt to show the nefarious machinations of all those who warned against the Red takeover of China, who spoke out in favor of Chiang Kai-shek's Nationalist government and against Mao Tse-Tung's Communist regime, who exposed the pro-communist activities of the Institute of Pacific Relations and the Leftist infiltration of the American State Department. These, in the author's mind, make up the 'China Lobby' of his title - a name first used by the N. Y. State Communist Party. This fact the author acknowledges, with a straight face, early in his book. It comprised such terrible characters (in Mr. Koen's mind) as Generals Wedemeyer, MacArthur, Chennault, the late Senators McCarran and McCarthy, Alfred Kohlberg, John T. Flynn, Freda Utley - but why go on? Let's just say it included everyone who was anti-communist on the China issue. This mythical 'lobby' was so successful that China fell into the hands of the Reds despite all its efforts. But the author (whose heroes are Owen Lattimore *et al.*) hates to give up his bogeyman. It is this 'China Lobby' which pre-

vents us from having a love affair with Red China.

Aside from the carmine-hued slant of this weird thesis and the inherent dullness of the writing, the book reveals an ignorance of China which is appalling in one who is teaching political science in a college. Also, it would take a book of nearly equal length to point out its inaccuracies.

But the most interesting thing about this highly uninteresting book is its journey into the bookstalls and out again. It was scheduled for publication last month. Copies had been shipped to the stores and were on their shelves. Then a week before the official publication date, the publishers called back all copies - but a few had escaped. A call to a Macmillan senior editor brought this reply:

'Yes, the book has been withdrawn. We had to make a very minor change - nothing serious - the basic facts are correct as I know from my own knowledge, but it was a rather controversial thing and the author did not have sufficient substantiation.'

A minor change? Nothing serious? Mr. Koen declared in his book that a number of Chinese officials smuggled narcotics into the U.S. with

the full knowledge and connivance of the Nationalist Government and (as though this smear were not bad enough) that 'several prominent Americans have participated in and profited from these transactions.' This came to the attention of the Chinese Ambassador. It also brought threats of libel action from William Loeb, publisher of the *Manchester Union Leader* and one of the patriotic Americans included in the 'lobby.'

Macmillan withdrew the book for 'minor changes.' Perhaps final judgment on this book has been supplied by the Hon. J.J. Anslinger, U.S. Commissioner of Narcotics. He wrote the Chinese Ambassador: 'I can give you an unqualified statement that this is manufactured out of the whole cloth; that there is no scintilla of evidence that any Chinese officials have been engaged in illegal smuggling of narcotics into the United

## ROAD TO DISASTER



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States with the full knowledge and connivance of the Chinese Nationalist Government. This statement is so fantastic that if it is any measuring rod as to the rest of the book I assume it can be similarly classified.'

But it seems to us there is still an explanation due from the Macmillan Company. Is this what one of their editors con-

siders a 'minor change,' the 'basic facts' of which are 'correct as I know from my own knowledge?' And who and what induced Macmillan to publish the book in the first place? Why not leave jobs like this to those firms who will publish any piece of trash which comes along, so long as it is slanted well to the Left?

- Rosalie Gordon

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